(b) if so, the terms of reference and composition of the Committee;

(c) the date by which the Committee has been asked to submit its report; and

(d) steps taken to reduce duplication in operations of the two Corporations?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (d) No, Sir. However, in the context of the ongoing decanalised regime, an exercise for the reorganisation of work rataionalisation of STC & MMTC has been initiated with a view to prevent overlap of functions to the extent feasible in both the Corporations; to achieve a wider geographical coverage in the trading activities as well as to provide an intensive thrust towards exports of defined non-canalised items.

Government strategy to Increase Trade and Investment flow in the Country

673. DR. Y. LAKSHMI PRASAD; Will the Minister of COMMERCE be pleased to state:

(a) the overall Government strategy to increase trade and investment flows into the country; and

(b) the steps taken to build linkages with major trade blocks in the world?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) A number of measures have been taken by the Government to create a freer environment for trade. The new Exim Policy for 1997-2002 has considerably simplified the policy and procedures; imports are being gradually liberalised to facilitate availability of raw materials and inputs to the export sector besides widening and modernising the indigenous production base; country specific initiatives have been undertaken to promote trade; Export Promotion Industrial Park Scheme has been implemented to support the State Government in their export promotion effort; an India Brand Equity Fund has been created to create a good image for Indian products abroad; interactive discussions with Export Promotion Councils, Commodity Boards and trade and industry are held to boost exports; interest rate on export credit has been reduced and it has been decided to set up an empowered Export Promotion Board to resolve problems facing exporters expeditiously.

In order to raise investment flows the investment limits by individual Flls/sub accounts for FIIs in the total issued capital of individual companies has been raised from 5% to 10% subject however to investment by all FHs/NRIs/OCB in the aggregate being limited to 24% of the issued capital of the company. The limit of 24% has also been raised to 30% subject to (a) approval by the Board of Directors of the Company and (b) a Special Resolution passed by the General body of the Company to the enhanced limit of 30%. FIIs have been broad based through inclusion of university funds, endownment funds, charitable trusts/societies with a track record. FIIs have also been permitted to invest in unlisted companies with a view to attracting such investments.

(b) Among others, India has played a constructive role in the Indian Ocean Rim initiative which seeks to promote closer economic cooperation in the Indian Ocean region. Operationalisation of SAPTA (South Asian Preferential Trade Agreement) is another step in this direction and it is now proposed to achieve a South Asian Free Trade Agreement (SAPTA) by the year 2001.

Proposal to Start Coffee Processing Industry in Punjab

674. SHRI IQBAL SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to start a coffee processing industry in the State of Punjab by the Coffee Board;

(b) if so, the details thereof;

(c) if not the reasons therefor; and

(d) the steps being taken or proposed to be taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (do) No, Sir. The Coffee Board does not undertake commercial

ventures like setting up coffee processing industries.

Discovery of new Export items for Boosting Exports

675. SHRI O.P. KOHLI: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that there has been sluggishness in the exports and Government, of late, have not been able to make any dent in export activities except in case of traditional commodities;

(b) if so, what steps Government are proposing to take to discover new items for export; and

(c) what initiative Government have taken to boost the exports?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) Sir, Export growth is being maintained on a higher base achieved in recent years though there is a slow down in the rate of export growth. The share or non-traditional commodities like processed food, chemical and related products, engineering goods, electronic goods, projects goods etc. in total exports has shown an increase of late.

(a) and (c) Export promotion measures are being taken continously to promote exports. These include interactions with trade and industry, debottlenecking of export infrastructure, simplification of policies and procedures, involvement of State Governments in export efforts etc. Based on discussion with trade and industry the Government is evolving a medium term strategy to focus on markets and commodities for giving thrust to export promotion efforts.

Target for Coffee Export

676. SHRI SANJAY DALMIA: Will the Minister of COMMERCE be pleased to state:

(a) the total quantity of coffee exported and the foreign exchange earned therefrom during each of the last three years upto March 31, 1997, country-wise;

(b) whether any target has been fixed for the export of coffee during the current year;

(c) if so, the details thereof; and

(d) the steps taken by Government to boost the export of coffee during the current year?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) The total quantity of coffee exported and the foreign exchange earned ther"efrom during the last three years is given below:

Year (April-March)	Quantity (in tonne)	Value (US $ million)
1994-95	1,37,395	342.12
1995-96	1,70,990	456.00
1996-97 (Provisional)	1,79,418	448.67

Country-wise details of export of coffee is available in the Foreign Trade Statistics of India published by DGCI&S, copies of which are available in the Parliament Library.

(b) and (c) Yes, Sir. A target of 1,65,000 tonnes has been fixed for export of coffee during hte current year.

(d) For boosting export of coffee, the Coffee Board is focussing on targetted import markets like USA, Japan, Russia. Middle East Countries, etc. The Board will also participate in selected food fairs/exhibitions abroad in active association with exporters, release advertisements on unique features of Indian coffee in selected overseas trade journal*. Sponsor trade delegations/invite delegations of roasters from all the target markets to India, arrange service of Indian coffee abroad through our Embassies, distribute gift packets of Indian coffee through Indian Embassies on special occasions and festivals, promote logo for Indian coffee, and publish and distribute literature on Indian coffee.

Decline in Export of Tea

677. DR. D. VENKATESHWAR RAO: Will the Minister of COMMERCE be pleased to state: